

MINUTES

**MONTANA SENATE
56th LEGISLATURE - REGULAR SESSION**

COMMITTEE ON LOCAL GOVERNMENT

Call to Order: By **CHAIRMAN MIKE SPRAGUE**, on January 19, 1999 at 3:00 P.M., in Room 405 Capitol.

ROLL CALL

Members Present:

Sen. Mike Sprague, Chairman (R)
Sen. Ken Miller, Vice Chairman (R)
Sen. John C. Bohlinger (R)
Sen. Chris Christiaens (D)
Sen. Dorothy Eck (D)
Sen. Bill Glaser (R)
Sen. Duane Grimes (R)
Sen. Don Hargrove (R)
Sen. J.D. Lynch (D)
Sen. Dale Mahlum (R)
Sen. Jon Tester (D)

Members Excused: None.

Members Absent: None.

Staff Present: Jodi Pauley, Committee Secretary
Mary Vandenbosch, Legislative Branch

Please Note: These are summary minutes. Testimony and discussion are paraphrased and condensed.

Committee Business Summary:

Hearing(s) & Date(s) Posted: SB 166, 1/15/1999; SB 180,
1/15/1999; SB 207, 1/15/1999
Executive Action: SB 96; SB 97

HEARING ON SB 180

Sponsor: SENATOR JOHN HERTEL, SD 47, Moore

Proponents:

John Bloomquist, MT Stockgrowers Assoc.
John Youngberg, MT Farm Bureau
Gordon Morris, MACo

Opponents: None

Opening Statement By the Sponsor:

SENATOR JOHN HERTEL, SD 47, Moore, said this bill is asking to require County Commissioner to hold a public meeting to hear concerns or impacts on individuals from the acquiring of property by an agency of the Federal Government. The County Commissioners shall let any person or entity comment on the impact of the proposed sale. After the hearing the County Commissioners shall review the potential impact of the transaction. Prior to the finalization of the sale, the County Commissioners shall present to the federal agency a report of their finding from the public hearing. He said in his senate district, the BLM purchased a sizeable amount of land in Petroleum Co. and the purchase was made without any input or public notice. There was local impact from this purchase, it affected the county tax base, the agricultural industry, and land owners who bordered this property.

Proponents' Testimony:

John Bloomquist, MT Stockgrowers Assoc., said there is increasing activity where a federal agency comes into Montana and acquires private property by conservation easements or otherwise. Many County Commissions and the public don't have an awareness of what is going on. These purchases affect tax base and other things. He said under federal law, BLM has to coordinate and consult with County Governments on a variety of their activities. Sometimes this coordination is lacking and this bill will help local governments and citizens look at and have input on the proposal. He passed out testimony from Beaverhead County in support of this bill. **EXHIBIT(los14a01)**

John Youngberg, Montana Farm Bureau, said many people feel these land transaction are done in a vacuum. This bill puts on record that there are concerns or support with these land transactions.

Gordon Morris, MACo, said this bill should be standard operating procedure and there should be some teeth put into it to require information before these transactions take place.

Opponents' Testimony: None

Questions from Committee Members and Responses:

SEN. DOROTHY ECK asked if this bill has anything to do with post offices. **SEN. HERTEL** said he had not heard of a post office situation, but it would probably fit in this category.

SEN. ECK said there should also be a hearing on the selling of federal property because this does affect the community. **SEN. HERTEL** said this could be put in the bill as a reasonable amendment.

SEN. JOHN BOHLINGER said this bill would have helped Yellowstone County if it would of been in place. He said the BLM was moving from their downtown building that they had occupied for 15 years and they moved to the west side of town. This was done without the input of the city or county and this bill would help with these problems.

SEN. JON TESTER asked if this bill is really going to do any good and are there any examples of other states that use this. **SEN. HERTEL** said he was not aware of any other states doing this action. He said they can't really predict what the Federal Government is going to do and they can't force them to do one thing or another.

SEN. TESTER asked if there was any way they can put some teeth into this bill, rather than just having a hearing and make local government more effective. **John Bloomquist** said if this bill is passed then they can send a letter to the federal land management agencies and notify them of this procedure. The local governments should be notified in advance to conduct a hearing if the federal agency is going to purchase property. This will back up the federal statutes that are already there. He said a couple of counties in Idaho have been doing this already.

SEN. CHRIS CHRISTIAENS asked what about people who want to sell land to the federal government. **SEN. HERTEL** said a person who has property and wants to sell it, that is his private right. He said they are trying to help smooth this transaction out and let the Federal Government entity know that their transactions and purchase of property is going to cause some local impact.

{Tape : 1; Side : A; Approx. Time Counter : 3:18 p.m.}

Closing by Sponsor:

SEN. HERTEL said this bill is looking for an ethical means of land transactions when the government purchases private lands. It allows the public to voice their opposition or their approval.

HEARING ON SB 166

Sponsor: SEN. J.D. LYNCH, SD 19, Butte

Proponents:

Bob Gilbert, MT Tow Truck Assoc.

Milo Casagrande, MT Tow Truck Assoc.

Jim Dusenbery, MT Tow Truck Assoc.

Bill Sparr, MT Tow Truck Assoc.

Brenda Nordland, MT Department of Justice

Bill Fleiner, MT Sheriff's and Peace Officers Assoc.

Opponents: None

Opening Statement by Sponsor:

SEN. J.D. LYNCH, SD 19, Butte, said at the present time the sheriff has the right to reimburse the haulers of abandoned vehicles. The problem is the sheriff doesn't have any money or reason to do it. This bill would allow to pay for abandoned vehicles from the junk vehicle fund. There is a difference between junk vehicles and abandoned vehicles. Junk vehicles are salvaged and sold as scrap. Abandoned vehicles, are ones that nobody knows who the owner is, but the sheriff wants it off the road. If a small business man removes these vehicles, he should be reimbursed.

Proponents' Testimony:

Bob Gilbert, MT Tow Truck Assoc., said that Fergus County is the only county in which the sheriff will pay the tow truck operator for his services. But other counties do not have a budget to pay the towers. The towers are then stuck with the vehicle, towing charges and storage. The only recourse they have is to hold it long enough for a sheriffs sale and then they only get about ten or fifteen cents on the dollar back. He said section six, page four talks about extending junk vehicle to the removal of abandoned vehicles. Subsection 2, section 6, says the department is authorized to expend the funds to the removal of abandoned vehicles with the funds available.

Milo Casagrande, MT Tow Truck Assoc., said most people don't realize that abandoned vehicles are not only iron, but they also have hazardous wastes. It is not fair that just because someone is done with a vehicle that the towers have to take care of those hazardous wastes and still try to make a dollar.

Jim Dusenbery, MT Tow Truck Assoc., said this provides for towers to identify an abandoned vehicle and secure a notice. The bill also provides for disposal of a vehicle and a mechanism for payment to the tower. It furnishes a funding source and is good for the towers.

Bill Sparr, MT Tow Truck Assoc., said they support this bill.

Brenda Nordland, MT Department of Justice, handed out a copy of a friendly amendment. **EXHIBIT(los14a02)** She said in the past it was the county assessors responsibility to determine whether or not a vehicle was \$500 or less. And if it had that value they could get a junk vehicle title and send it to the vehicle graveyard. However, county assessor was struck and it became the department's job. The department really doesn't have the mechanism to determine whether a vehicle in the Butte district or the Missoula district is worth less than \$500. This amendment would have the junk vehicle manager make that assessment.

Bill Fleiner, MT Sheriff's and Peace Officers Assoc., said they support SB 166.

Opponents' Testimony: None

Questions from Committee Members and Responses:

SEN. TESTER asked if every county has a junk vehicle program.
Milo Casagrande said yes.

Closing by Sponsor:

SEN. LYNCH said this bill is a fairness issue and there is money available specifically for abandoned and junk vehicle programs.

{Tape : 1; Side : A; Approx. Time Counter : 3:33 p.m.}

HEARING ON SB 207

Sponsor: SENATOR GLENN ROUSH, SD 43, Cut Bank

Proponents:

Gary Pfister, Cut Bank Schools
Paul Tuss, Glacier Action
Mary Allen, Granite and Powell Counties

Opponents: None

Opening Statement by Sponsor:

SENATOR GLENN ROUSH, SD 43, Cut Bank, said this bill comes from the county commissioners, local school district and administration. This bill would allow County Commissioners to deed property that cannot be sold at a sheriffs sale to non-profit groups in Montana. Under Montana law currently, it allows the County Commissioners to donate land that is acquired by tax deed to non-profit corporations for the purpose of constructing multi-family housing development or low income single family houses. This bill will amend that and allow non-profit organizations to expand the use of donated land. This will benefit schools and allow for non-profits to find a beneficial use for it and return it to the county tax roles. This bill will enable a school to build an industrial arts or vo-tech center and assist in training projects. It will also enable the land to be resold and returned to the tax roles thus helping the county.

Proponents' Testimony:

Gary Pfister, Cut Bank Schools, said non-profits could utilize tax deeded land better with this bill. Vo-tech classes could remodel or repair new housing developments or buildings that could be used for school value. He said they have lots in their community that have accumulated large amounts of back taxes and assessment and makes it prohibitive for other individuals to purchase the land. If they were donated to a foundation etc. then they could resell the land and get it back on the tax roles.

Paul Tuss, Glacier Action, handed out a letter of support from the Glacier County Commissioners. **EXHIBIT(los14a03)** He said this bill will clean up communities, gives vo-ed students some experience, and put property back on the tax roles.

Mary Allen, Granite and Powell Counties, said this bill expands the tax base and is beneficial to the counties.

Opponents' Testimony: None

{Tape : 1; Side : A; Approx. Time Counter : 3:40 p.m.}

Questions from Committee Members and Responses:

SEN. BOHLINGER asked what kind of property values are available to non-profits, etc. **SEN. ROUSH** said he was not sure but it depends on the amount of property available in the sale.

SEN. CHRISTIAENS said the way he reads the bill the land would not go back on tax roles because if it is donated to a non-

profit, and then leased or rented those incomes remain with the non-profit. The only way it would come back on the tax roles is if it is sold. **SEN. ROUSH** said this was correct and it would be up to the non-profit to sell the land, etc.

SEN. LYNCH said he believes that if Helena Vo-tech builds a home and the non-profit sells the home, then the buyer goes on the tax roles. The profits would go back into purchasing more of these lots. **SEN. ROUSH** said Billings Vo-tech did this and it is a wonderful idea. He would hope that the property would be sold.

SEN. GRIMES asked if line 8 could be amended to include correctional purposes. **SEN. ROUSH** said he would agree to this and the protection is still there through the County Commissioners.

SEN. ECK said if the non-profits rent or lease that building, it goes back on the tax roles. If the non-profit uses it for charitable purposes then it is not taxable. This needs to be clarified.

SEN. GLASER asked if there were anyone besides school systems that wanted this bill. **SEN. ROUSH** said the people that asked him to carry this bill was his County Commissioners and school district officials. He said most counties probably don't have a lot of property to do this with.

Closing by Sponsor:

SEN. ROUSH closed on **SB 166**.

{Tape : 1; Side : B; Approx. Time Counter : 3:48 p.m.}

EXECUTIVE ACTION ON SB 96

Mary Vandenbosch explained some amendments that were proposed by Mayor Kadas. **EXHIBIT(1os14a04)**

Motion: **SEN. LYNCH** moved that **AMENDMENT #1 FOR SB 96 BE ADOPTED. EXHIBIT (4)**

Discussion

SEN. LYNCH said if the council member is not there why should that be considered a negative vote.

SEN. HARGROVE said often they hear the state is run by those who show up. This amendment would make it more possible to stack the deck and he opposes it.

SEN. MAHLUM stated that someone who lives out-of-state and owns a lot of property are always going to vote against anything that will cause a tax rise.

SEN. MILLER said the absent vote is the city council member not the property owner.

SEN ECK said the 40 percent provision in the bill makes it likely that an absent property owner wouldn't be able to have too much influence.

Vote: Motion **carried 7-4** on a roll call vote.

Motion: **SEN. ECK** moved that **AMENDMENT #2 FOR SB 96 BE ADOPTED. EXHIBIT (4)**

Discussion:

SEN. ECK said any piece of land within 150 feet of the property under consideration could protest whether they were adjacent or behind the property, etc.

Vote: Motion **carried 8-3** on a roll call vote.

Motion/Vote: **SEN. ECK** moved that **SB 96 DO PASS AS AMENDED. Motion carried 8-3 with Glaser, Miller, and Grimes voting no.**

EXECUTIVE ACTION ON SB 97

Discussion:

Mary Vandembosch explained the amendments to **SB 97.**

EXHIBIT (los14a05)

{Tape : 1; Side : B; Approx. Time Counter : 4:07 p.m.}

SEN. LYNCH asked if there was some confusion over the words strategy and plan. **Mary Vandembosch** said this does not change strategy to plan.

SEN. GRIMES asked if a county currently has a growth policy it does not change the requirements other than there is no preliminary hearing. **Mary Vandembosch** said if a county has a growth policy it does not change under this bill. It changes if a county does not have a growth policy then they would have to review minor subdivisions.

SEN. GRIMES said a growth policy involves the entire county and does it change anything for the counties that may have adopted something that would qualify as a growth policy. **Mary Vandenbosch** said counties do plans for the entire area, and once they have adopted a master plan, they can do neighborhood plans, etc.

SEN. HARGROVE asked why is there an amendment to the bill. **Mary Vandenbosch** said this amendment was made during the final EQC meeting.

SEN. ECK asked if the 35 days in sub (b) was standard. **Mary Vandenbosch** said the law does not specify the time frame for summary review of minors.

Motion/Vote: **SEN. GRIMES** moved that **AMENDMENTS TO SB 97 BE ADOPTED. Motion passed unanimously. EXHIBIT (5)**

Discussion:

SEN. BOHLINGER said in adopting subsection (b) of the amendments, the 35 days is supposed to be 35 working days.

Gordon Morris, MACo, said it should be 35 working days to be consistent to HB 300.

SEN. BOHLINGER referred to a letter from Kerwin Jensen.

EXHIBIT (los14a06) He said environmental assessments are important and why should they give this up.

Mary Vandenbosch said in section 20, page 16, under current law, subdivisions within a jurisdictional area that are covered by a master plan and zoning regulations are already exempt.

SEN. BOHLINGER asked if these exemptions are being restating in existing law. **Mary Vandenbosch** said under current law, if there is a subdivision in the jurisdictional area of the master plan then they are exempt.

SEN. LYNCH said this bill was to entice counties to adopt growth policy plans and if they don't want to, then there will be environmental assessments.

SEN. MAHLUM asked if this bill makes it harder for a small developer to work within his communities. **Mary Vandenbosch** said there are some changes to the subdivision act in this bill. If there is a growth policy plan in place they are exempt from a hearing and review and this may make it easier.

Motion/Vote: SEN. LYNCH moved that **SB 97 DO PASS AS AMENDED.**
Motion carried unanimously.

ADJOURNMENT

Adjournment: 4:24 P.M.

SEN. MIKE SPRAGUE, Chairman

JODI PAULEY, Secretary

MS/JP

EXHIBIT(los14aad)